

110TH CONGRESS
2D SESSION

S. 3048

To amend the Internal Revenue Code of 1986 to make the allowance of bonus depreciation and the increased expensing limitations permanent.

IN THE SENATE OF THE UNITED STATES

MAY 22, 2008

Mr. ALEXANDER introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to make the allowance of bonus depreciation and the increased expensing limitations permanent.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. BONUS DEPRECIATION MADE PERMANENT.**

4 (a) IN GENERAL.—Paragraph (2) of section 168(k)
5 of the Internal Revenue Code of 1986 (relating to special
6 allowance for certain property acquired after December
7 31, 2007, and before January 1, 2009) is amended—

8 (1) in subparagraph (A)—

9 (A) by adding “and” at the end of clause

10 (ii),

1 (B) by striking “, and before January 1,
2 2009” in clause (iii)(I),

3 (C) by striking “, and before January 1,
4 2009, and” in clause (iii)(II) and inserting a
5 period, and

6 (D) by striking clause (iv),

7 (2) in subparagraph (B), by striking clause (ii)
8 and by redesignating clauses (iii) and (iv) as clauses
9 (ii) and (iii), respectively, and

10 (3) in subparagraph (E)(i), by striking “, and
11 before January 1, 2009”.

12 (b) CONFORMING AMENDMENTS.—

13 (1) Subclause (I) of section 168(k)(2)(B)(i) of
14 such Code is amended by striking “(iii), and (iv)”
15 and inserting “and (iii)”.

16 (2) Clause (i) of section 168(k)(2)(C) of such
17 Code is amended by striking “, (iii) and (iv)” and
18 inserting “and (iii)”.

19 (3) Subparagraph (B) of section 168(l)(5) of
20 such Code is amended to read as follows:

21 “(B) by substituting ‘January 1, 2013.’ for
22 the period at the end of clause (i) thereof,
23 and”.

24 (4) Subparagraph (D) of section 1400L(b)(2)
25 of such Code is amended by striking “clause (i)

1 thereof shall be applied without regard to ‘and be-
2 fore January 1, 2010’, and”.

3 (5) Subparagraph (B) of section 1400N(d)(3)
4 of such Code is amended to read as follows:

5 “(B) by substituting ‘January 1, 2008.’ for
6 the period at the end of clause (i) thereof,
7 and”.

8 (6) The heading for subsection (k) of section
9 168 of such Code is amended by striking “AND BE-
10 FORE JANUARY 1, 2009”.

11 (c) EFFECTIVE DATE.—The amendments made by
12 this section shall apply to property placed in service after
13 the date of the enactment of this Act, in taxable years
14 ending after such date.

15 **SEC. 2. PERMANENT INCREASE IN LIMITATIONS ON EX-**
16 **PENSING OF CERTAIN DEPRECIABLE BUSI-**
17 **NESS ASSETS.**

18 (a) IN GENERAL.—Subsection (b) of section 179 of
19 the Internal Revenue Code of 1986 (relating to limita-
20 tions) is amended—

21 (1) by striking “\$25,000” and all that follows
22 in paragraph (1) and inserting “\$250,000.”,

23 (2) by striking “\$200,000” and all that follows
24 in paragraph (2) and inserting “\$800,000”,

1 (3) by striking “after 2003 and before 2010,
2 the \$100,000 and \$400,000” in paragraph (5)(A)
3 and inserting “after 2008, the \$250,000 and the
4 \$800,000”,

5 (4) by striking “2002” in paragraph (5)(A)(ii)
6 and inserting “2007”, and

7 (5) by striking paragraph (7).

8 (b) EFFECTIVE DATE.—The amendments made by
9 this section shall apply to taxable years beginning after
10 December 31, 2008.

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